

# MINUTES

## LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

August 24, 2017

Ord, Nebraska

The August meeting of the Board of Directors of the Lower Loup Natural Resources District was held at the Headquarters Office, 2620 Airport Drive, Ord, Nebraska, on August 24, 2017. Chairman Citta called the meeting to order at 5:02 p.m.

### CALL TO ORDER

#### Directors in attendance

James C. Adams  
Darwin B. Anderson  
Robert L. Bauer  
Joseph L. Citta, Jr., Chairman  
Virgil W. Gellermann  
Randy Kauk  
Matt Lukasiewicz  
Alan D. Petersen  
Dean G. Thede

Rollie D. Amsberry, Treasurer  
Timothy E. Bartak  
Beth Boesch  
Jim Eschliman, Vice Chairman  
N. Richard Hadenfeldt  
Gary A. Kruse  
James C. Nelson  
Gerald Smith  
Henry J. Thoene, Secretary

#### Director absent

Chad J. Podolak

#### Staff in attendance

Leon "Butch" Koehlmoos, General Manager  
Irene F. Kreifels, Financial Secretary  
Larry D. Schultz, I&E Coordinator  
Ann Freeman, Water Programs Secretary  
Dell Harris, Water Resources Specialist  
Cheryl K. Hornickel, Programs Assistant

Russell G. Callan, Assistant General Manager  
Rita A. Goldfish, Administrative Assistant  
Tylr D. Naprstek, Water Modeling Coordinator  
Richard L. Woollen, District Forester  
Jason Moudry, Water Programs Specialist  
Jane Klanecky, Receptionist

#### Guests in attendance

Bryce Bauer, LDC, NRCS, Ord  
Ben Wheeler, Pheasants Forever, Ord

Karen Griffin, JEO, Lincoln  
Linda Finney, Burwell

Tom Klanecky, DNR, Ord  
 Carrie Wiese, DNR, Lincoln  
 Joe Wadas, Ord

Rick Bogus, Columbus  
 Melissa Mosier, DNR, Lincoln  
 Larry Koelling, Ord

## NOTICE OF OPEN MEETING LAW POSTING

Chairman Citta referred those in attendance to the open meeting law information posted in the Board room.

## VERIFICATION OF MEETING NOTICE AND ADOPTION OF AGENDA

Chairman Citta asked for verification of the meeting notice. General Manager Leon “Butch” Koehlmoos verified that the meeting notices and public hearing on the budget were properly published in all newspapers and that the meeting notice was also posted at the NRD Headquarters office in Ord, the NRD web site, and the eight field office locations. Koehlmoos said there were modifications to the agenda, adding *Controlled Burn Report* and *NARD Annual Conference Resolutions*.

## EXCUSED ABSENCES AND ROLL CALL

At this point in the meeting, there were no excused absences mentioned. (See page 6)

Roll Call – Directors present: Adams, Amsberry, Anderson, Bartak, Bauer, Boesch, Citta, Eschliman, Gellermann, Hadenfeldt, Kauk, Kruse, Lukasiewicz, Nelson, Petersen, Smith, Thede, and Thoene. Director absent: Podolak.

## MINUTES

Chairman Citta asked for corrections and/or additions to the July 27, 2017, Board meeting minutes. None were heard.

**Boesch motioned, seconded by Smith, to approve the July 27, 2017, Board meeting minutes. Motion carried by roll call vote, all present voting yes.**

## TREASURER’S REPORT

Chairman Citta directed the Board’s attention to the Treasurer’s Report as published in the regular and supplemental agendas.

Koehlmoos highlighted expenditures for membership dues which increased 4%, the NRD insurance package, Wi-Fi installation at Davis Creek, and a boom mower purchase.

**Eschliman motioned, seconded by Bartak, to approve the August, 2017, Treasurer’s Report and pay all bills. Motion carried by roll call vote, all present voting yes.**

## PUBLIC COMMENTS

Larry Koelling told the Board that, in his many years of farming, he had seen the ebb and flow of water within the state and the NRD. He said some parts of the state are experiencing a shortage of water at the present time, but expressed concern over the amount of excess water that is presently flowing in his area near the south branch of Mira Creek, a spring-fed area in Mira Valley south of Ord. He said the continual year-round flow and new springs opening through the ground has been a problem for several years, and bridges and culverts needed to be installed in the fields.

Koelling felt that farmers could utilize the excess water in a productive manner if allowed to drill wells, as is the case when allowing new irrigated acres to be released in certain areas of the NRD. He felt that the ‘new acres’ formula needed to be adjusted to allow wells to be drilled in areas where relief from excess water is needed, therefore allowing the water to be managed to irrigation instead of allowing it to pop out of the ground where it does harm. He said he would like to see the formula weighted to areas that cannot only benefit the patrons, but also alleviate hardships on the patrons.

## FORESTER’S REPORT

District Forester Rich Woollen reported that he traveled to Chadron to attend the annual NRD Tree Program Roundtable. He said several topics were discussed, including tree programs in other NRDs, NFS updates, and ponderosa pine stocktype trials.

Woollen said that the Great Plains Initiative was also discussed in Chadron, which identifies the location and extent of windbreaks in North Dakota, South Dakota, Nebraska, and Kansas. They are mapped and visited to characterize their condition. The geospatial analysis is funded through grants and is expected to be completed by 2019.

Woollen said the term “ecosystem services” refers to how trees are functioning in the landscape and helping the environment, including sequestering carbon, acting as natural filters to provide air and water quality benefits, odor control, decreased nutrient loading, and decreased sediment runoff.

Assistant General Manager Russ Callan said that he was contacted by Rick Koelsch, who does manure management with the university, inquiring whether Lower Loup would be interested in helping to support a program that would mix cedar chips with manure. It would be applied to fields in four or five NRDs, producing more organic matter. He said UNL would be applying for an ET grant and would like a letter of support from Lower Loup NRD. He said they aren’t asking for financial assistance, but would like the NRD to correspond with producers. Woollen said there would be a conference the next day to discuss the program.

**Smith motioned, seconded by Boesch, that staff use its discretion in proceeding with a letter of support for an ET grant for the wood chips/manure program. Motion carried by roll call vote, all present voting yes.**

## NRCS REPORT

Bryce Bauer, Liaison DC in Ord, reported that there would be a field day in Sherman County on September 19<sup>th</sup> at the Kevin Fulton farm. He said the Ray Archuleta conference would be held in Albion on September 6<sup>th</sup>. He said NRCS personnel would be making follow-up visits to producers that were given variances during the 2017 HEL compliance reviews. He said compliance rules were changed requiring that ephemeral gully erosion had to be controlled, and he wanted to make sure the rules were clear to the producers because NRCS will be visiting their farms again next spring. Bauer said staff was working on CSP renewals and there was a December 16<sup>th</sup> deadline to get those done.

Bauer said he met with Matt Glesinger, Callan, and Naprstek to discuss Clear Creek priorities. He said they would be meeting with local landowners in the watershed area in search of sites for irrigation water management practices, nutrient management, no-till cover crops, and a wetland restoration mitigation site for some water quality benefits.

## PUBLIC HEARING ON LLNRD FY 2018 BUDGET

### Action to Adopt the FY 2018 Budget

Chairman Citta opened the public hearing on the Lower Loup NRD's FY 2018 Budget at 5:27 p.m.

Chairman Citta asked for public comments on the Lower Loup NRD FY 2018 Budget. None were heard.

Chairman Citta asked for comments from the members of the Lower Loup Natural Resources District Board of Directors. None were heard.

Chairman Citta closed the hearing at 5:28 p.m.

Koehlmoos stated that the levy would be 0.030083 dollars per \$100.00 of valuation, a decrease of 1.9% in the NRD's property tax request from last year. He said a resolution would need to be passed to approve \$4,997,283.13 for the property tax request. He said \$12,914,485.00 is the actual budget expenditure for FY 2018 and includes all grants and reimbursements.

**Boesch motioned, seconded by Smith, to adopt the Lower Loup NRD FY 2018 Budget of \$12,914,485.00. Motion carried by roll call vote, all present voting yes.**

## PUBLIC HEARING TO SET FINAL TAX REQUEST FOR FY 2018

Chairman Citta opened the public hearing to set the Lower Loup NRD's levy for FY 2018 at 5:32 p.m.

Chairman Citta asked for public comments on setting the levy for the Lower Loup NRD FY 2018 Budget. None were heard.

Chairman Citta asked for comments from the Lower Loup Natural Resources District Board of Directors on setting the levy for the Lower Loup NRD's FY 2018 Budget.

Boesch said she was pleased to see a decrease in the property tax request and complimented staff and Board for holding the line on taxes and expenditures.

Eschliman asked why the valuations in Boone and Greeley Counties went down. Koehlmoos answered that staff had just received the notice and hadn't had time to research the numbers.

Chairman Citta closed the hearing at 5:34 p.m.

#### Resolution to Approve Additional One Percent Increase

Koehlmoos said the State Auditor has always recommended that NRD Boards take advantage of the 1% growth allowed by law. He said the amount does not go against the property tax request or the total budget. He said part of the 1% increase would go toward the NRD budget that was just passed. He said there is about \$124.00 in Unused Budget Authority at the present time.

Koehlmoos said that it takes a 75% super majority vote of the Board to pass the 1% increase. If not passed, staff would need to decrease the budget by \$17,000.00.

**Kruse motioned, seconded by Anderson, to adopt a resolution to approve the additional one percent increase. Motion carried by roll call vote, all present voting yes.**

#### Resolution to Set the Property Tax Request

Koehlmoos read the resolution which stated that the FY 2017/2018 property tax request be set at \$4,997,283.13. He said a copy of the resolution would be sent to the Platte County Clerk on or before September 20, 2017.

**Eschliman motioned, seconded by Petersen, to approve the resolution to set the property tax request at \$4,997,283.13. Motion carried by roll call vote, all present voting yes.**

#### Resolution to Set Levy for the Lower Loup Natural Resources District for Fiscal Year 2018

Koehlmoos read the resolution which stated the Lower Loup Natural Resources District property valuation is \$16,611,685,609.00 and the levy for FY 2018 be established at \$0.030083 per \$100.00 of property valuation.

**Smith motioned, seconded by Gellermann, to approve a resolution to set the levy for the Lower Loup Natural Resources District at \$0.030083 per \$100.00 of valuation. Motion carried by roll call vote, all present voting yes.**

#### CONTROLLED BURN REPORT

Wildlife Biologist Ben Wheeler with Pheasants Forever gave a PowerPoint presentation of prescribed fire programs he is working with. He said he covers a 2.5 million-acre grassland area in

central Nebraska, about the size of Yellowstone National Park. He said, based on average pasture rental rates, that nearly \$88 million would be lost if there was no tree management on the grasslands for 10 years. He said controlled burns help keep grasslands in grass and trees from encroaching in the area.

Wheeler said Pheasants Forever has helped fund cooperative burn units which consist of local landowners who are trained to do controlled burns on grasslands. He said that, in an effort to burn more fires and bigger fires to keep grasslands productive and healthy, the Loup River Prescribed Fire Training Exchange (TREX) was formed in 2009 and is sponsored through the Fire Learning Network and the Nature Conservancy. He said exchanges are scattered throughout the country and said the local training exchange he helps with attracts people from all over the world, as well as landowners and representatives from local fire departments. He said the training is for two weeks.

Wheeler said the fire training program does not have long-term sustainability because funding and regulations could change with the next Farm Bill or administration, or there could be budget cuts and federal employee travel restrictions. He said he is hopeful the fire program will be sustained because families and youth are interested in the program and will continue to burn.

Linda Finney, who attended a controlled burn training event, said that although the program was tough, she was glad for the knowledge gained and the opportunity to participate.

Wheeler said there are about 20 TREX opportunities in the U.S. and some are being conducted internationally. He said his local TREX is the only one that burns on private land. He said they don't go back and do a burn in the same area twice, and hoped to have a burn in the Ord area in a couple years.

## EXCUSED ABSENCES

Chairman Citta said he had been informed that Chad Podolak had called Headquarters requesting to be excused from the Board meeting. Citta said action would need to be taken on the request.

**Boesch motioned, seconded by Bauer, to excuse Podolak from the meeting. Motion carried by roll call vote, all present voting yes.**

## INFORMATION AND EDUCATION REPORT

### Husker Harvest Days

Information & Education Coordinator Larry Schultz reported that Husker Harvest Days would be held September 12-14 in Grand Island. He said Anderson would be handing out some trees.

Koehlmoos announced that Dean Rasmussen had been voted into the Hall of Fame and will be recognized at both Husker Harvest Days and the NARD Annual Conference.

### Area IV Range Judging Contest

Schultz reported that the Area IV Range Judging Contest would be held in Valley County on September 20<sup>th</sup>. He said scoring would be done in the Board room. He said there could be as many as 500 kids participating.

### Conservation Celebration

Bauer told the Board that the *Conservation Celebration* would be held at Bowman Lake near Loup City on September 6<sup>th</sup>. He said there would be numerous activities and a large group session on snakes and reptiles. Schultz said his session would be Wildlife CSI.

## ASSISTANT MANAGER'S REPORT

### Water Resources Committee

#### *Irrigated Acres and Instream Flow*

Smith reported that new irrigated acres had been discussed, and proposed to the Board that 1,250 acres of new irrigated acres be released in the North Loup River Basin and 750 acres be released in the Beaver Creek Basin.

**Smith motioned that the Lower Loup NRD take applications to allow up to 1,250 acres of new irrigation in the North Loup River Basin and 750 acres of new irrigation in the Beaver Creek Basin.**

Assistant General Manager Russell Callan gave a PowerPoint presentation and reported that the Lower Loup NRD's instream flow application would not have an impact on the ability to offer new irrigated acres. He said the downstream demands exceed the NRD's instream flow right.

Citta clarified that, if the new irrigated acres recommendation was approved, landowners in Larry Koelling's high water area in the North Loup River Basin would have the opportunity to apply for new acres. Thoene said he had seen the water problems Koelling described and said the NRD had been talking about how to handle the problem for quite a while. Citta said the NRD would continue to look at it, hoping to come up with a solution.

#### **Adams seconded the motion.**

Lukasiewicz said a scoring minimum was set last year and wondered if that would be considered again this year. Callan said that every site that is applied for will be visited. He said the same scoring procedure would be used this year that was used in 2016. Smith commented that even though a piece of ground may be flat and potentially score high, if the soil was sandy, it would be cut off.

**Motion carried by roll call vote. Directors voting yes: Adams, Amsberry, Anderson, Bauer, Boesch, Citta, Eschliman, Gellermann, Hadenfeldt, Kauk, Kruse, Lukasiewicz, Nelson,**

**Petersen, Thede, and Thoene. Directors voting no: Bartak and Smith. Director absent: Podolak.**

Callan said a letter would be sent to DNR informing them that, because of the NRD's IMP process, the Board voted to allow new acres, and allows DNR to do the same. Lukasiewicz mentioned perhaps amending the IMP plan for the coming year if DNR's applications for new surface water acres become backlogged.

#### Davis Creek Phase II Update

Water Modeling Coordinator Tylr Naprstek reported that the fish station was fully functional. He said that the NRD had received a letter from the State Historical Society stating that the work being done at the launch point for the new boat facility may have potential impacts on cultural and archaeological resources, according to state studies. He said the NRD had been informed by the Bureau of Reclamation that the work being done there "has no cultural or archaeological impacts on any state or federal resources." He said the State Historical Society and BOR talked about the situation, and the NRD received another letter from the State Historical Society informing staff that everything was OK and it was alright to proceed.

Naprstek thanked Thede for decreasing the water level at Davis Creek so the boat ramp work could begin.

Naprstek reported that Davis Creek camping sites were full for the total solar eclipse and is also filled for Labor Day weekend. Kauk said he received compliments on the camping facilities at Davis Creek and Pibel Lake, and campers were wondering if there would be RV hookups at Pibel Lake in the future.

### PROGRAMS/PROJECTS COMMITTEE REPORT

#### City of Columbus – Powerhouse Trail Phase I

Columbus City Engineer Rick Bogus said the City of Columbus would be applying for a grant from the Nebraska Game and Parks Commission which needed to be submitted by September 1<sup>st</sup>. He said a grant from the Game and Parks Recreational Trails Program would contribute around 50% toward the trail, the City of Columbus would participate at 27%, C.A.R.T. would contribute 8%, and Columbus was requesting financial assistance from the NRD at 15%.

Bogus said the Powerhouse Trail would tie trails together to the west and north. He said the trail would run across the Lost Creek flood control ditch.

Kruse asked what the time frame was for the project. Bogus said the grant would most likely receive formal approval in January, 2018; environmental and design work during the rest of 2018; and construction in 2019 or 2020.

**Kruse motioned, seconded by Boesch, to approve financial assistance of 15% of the cost of the Powerhouse Trail Phase I, not to exceed \$75,000. Motion carried by roll call vote, all present voting yes.**

Village of Anselmo – Playground Equipment

Kruse said the Village of Anselmo is requesting financial assistance for playground equipment at Library Park. He said it was a first-time request, so the Committee would be discussing it again.

Ericson Lake – Extend Jetties (Trust Grant)

Joe Wadas of the Ericson Lake Association told the Board that the Committee had some concerns about the face of the dam and the placement of materials, but it had been addressed. Koehlmoos said one of the engineers for the Association concurred that there may be some possible erosion on the banks of the structures, so they backed off about 200 feet. Wadas said the angle had been changed.

Wadas said that, since 2010, about 75 feet had been lost due to erosion in the area where the Cedar River bank should be stabilized. He said the Association plans to stabilize that area. He said funding had been cut for a Section 14 permit from the Corps of Engineers, but Ericson Lake had been put on a list for assistance at some later time.

Wadas said the north part of the lake continues to fill with sand, so they're wanting to extend the jetty. He said the Association is requesting financial assistance from the NRD of approximately \$69,000 to help protect the lake and said the Association would match that amount. He said they also hope for some financial assistance from the Environmental Trust.

Callan mentioned that, although there is an Association, the lake is open to the public.

**Eschliman motioned, seconded by Petersen, to approve 25% of the estimated costs of the jetty project, not to exceed \$68,750, subject to the grant being approved and the 404 permit being received. Motion carried by roll call vote, all present voting yes.**

Ravenna Lake Project RFP

Callan said that Requests for Proposal are coming in and there would be a report at the next meeting.

IMP 2016 Year-End Report Update

Naprstek introduced Carrie Wiese of DNR, who jointly presented a PowerPoint presentation featuring highlights from both the DNR and LLNRD perspective of water management processes in accordance with the year-end report for the 2016 Integrated Management Plan. Particular items for reporting were set forth in Item 7.0 Monitoring Plan and Proposed Studies in the final Integrated Management Plan. The LLNRD and DNR will continue to expand and report on such items on an annual basis. This first report was issued jointly to collaborate efforts of both parties and, upon acceptance, will be available for public viewing through both entities' websites.

**Smith motioned, seconded by Kruse, to approve the 2016 IMP Year-End Report. Motion carried by roll call vote, all present voting yes.**

## MANAGER'S REPORT

### Appointment of Candidates for Subdistricts 4 and 7

Koehlmoos said letters had been received from persons interested in filling the vacant seats on the Board in Subdistricts 4 and 7. He said it is his recommendation to advertise those vacancies in local newspapers in those subdistricts for a couple weeks in September, make the letters available to Directors in September to review and pick candidates to meet with the Board in October, then select who they want to fill the empty seats.

Bartak suggested leaving the seats empty and the interested parties can run in the next election. He felt that when persons are appointed to the Board, they're given the power to stay on the Board.

Citta said that when there is a vacancy, there is no voice on the Board for the constituents in that area.

Koehlmoos said the only requirement when a seat becomes vacant on the Board is that the vacancy needs to be reported to the Secretary of State. He said it is up to the Board to make an appointment if they choose to; or the seat can remain open, as there are no rules as far as how long the seat can remain open.

Koehlmoos said that if a person is appointed to fill a vacancy in the first two years of a term, they would have to run in the mid-term elections; if a person is appointed in the second two years of the term, they would run on the normal election schedule. He said that both Loseke and Rasmussen were in their first year of a 4-year term.

Boesch said that advantages to appointing someone is that the Board has a chance to look at who's interested and choose a candidate, and also, the person appointed has an opportunity to decide if being on the Board is something they really want to do, and if so, then choose to run in the next election.

Citta said that advertising the vacancies does not lock someone into an appointment.

**Boesch motioned, seconded by Anderson, to advertise the vacancies in Subdistrict 4 and Subdistrict 7 for two weeks in September, ending September 15<sup>th</sup>. Motion carried by roll call vote. Directors voting yes: Adams, Amsberry, Anderson, Bauer, Boesch, Citta, Eschliman, Gellermann, Hadenfeldt, Kauk, Kruse, Lukasiewicz, Nelson, Smith, Thede, and Thoene. Directors voting no: Bartak and Petersen. Director absent: Podolak.**

### Litigation Update

Koehlmoos said the hearing on the Koch case would be August 28<sup>th</sup>. He said staff has been briefed by the NRD attorney.

### New Hires

There were no new hires.

Non-Action Reports

There were no non-action reports.

NARD REPORTDirector's Report

Eschliman reported that there will be a conference call in mid-September and the next meeting will at the NARD Annual Conference the end of September.

NARD Annual Conference*Resolutions*

Koehlmoos directed the Board's attention to the two resolutions that had been submitted for consideration at the NARD Annual Conference. He said the resolution submitted by the Little Blue NRD dealt with natural disaster assistance funding through NEMA and the second resolution from the Tri-Basin NRD dealt with surface water leasing for groundwater recharge.

NRC REPORTCommissioner's Report

Hadenfeldt reported that there will be a phone conference on the 25<sup>th</sup> to analyze the comments received from the three public information sessions that were held on the rules. He said Governor Ricketts thought there were too many rules and that they had to get rid of some, so the Committee dealt with that. He said the next Commission meeting would be held in Kearney on August 30<sup>th</sup>. He said that, having been on for two years, he was no longer part of the group that would score the projects.

RC&D REPORTSLoup Basin RC&D

There was no report.

PrairieLand RC&D

Gellermann reported that Platte County might be looking for money for a tire collection.

ANNOUNCEMENTS

Boesch wanted to recognize Hadenfeldt's commitment in being a part of the Rules Committee and thanked him for the time he spent scoring the projects and the extra hours he put in.

Karen Griffin of JEO reported that 23 applications were submitted to the Water Sustainability Fund. She said 15 were large projects of over \$250,000 each and 8 were smaller projects. She said there were 14 new applications and 9 that were resubmitted from last year. Griffin reported that the requests this year totaled \$20 million and \$15 million was allocated.

## ADJOURNMENT

With no further business before the Board, Chairman Citta declared the meeting adjourned at 7:23 p.m.

Roster for attendance of this meeting and tally of votes cast on motions at this meeting are being filed with the official minutes of this meeting at the Lower Loup Natural Resources District's Headquarters Office, 2620 Airport Drive, Ord, Nebraska. Publication notification of this meeting was made via a newspaper in each county within the District. The next Board of Directors meeting will be held Thursday, September 28, 2017, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

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Henry J. Thoene  
Secretary